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ARIZONA

LABOR MARKET INFORMATION NEWSLETTER

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Unemployment Rate

Seasonally Adjusted
December*

ARIZONA	–	4.3%
Maricopa Co.	–	3.6
Pima Co.	–	3.5
United States	–	5.3

Consumer Price Index

U.S. – December 1989
Base = 1982-84

Wage Earner/Clerical Worker	–	124.6
% Chg. Year Ago	–	4.5
All Urban	–	126.1
% Chg. Year Ago	–	4.6

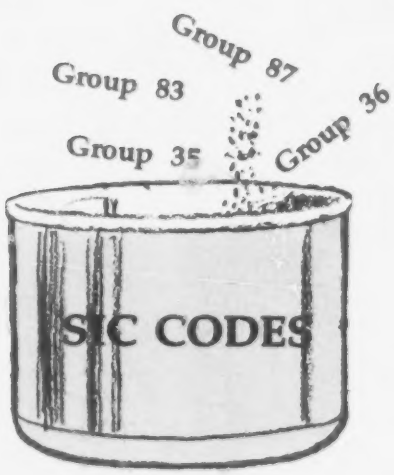
Phoenix – 4th Qtr 1989
Base = 1982-84

All Urban	–	127.8
% Chg. Year Ago	–	4.3

Tucson – 4th Qtr 1989
Base = 1982-84

All Urban	–	128.8
% Chg. Year Ago	–	3.6

* Preliminary



Changing Industry Mix

Revised SIC Manual Leads to Shake Up of Arizona's CES Tables

Inside This Issue

RA Updates Employment Tables	2
Revised SIC Manual Changes Industry Mix	3
DOL Report Touts Apprenticeship Training	6
Survey Suggests More Career-Decision Training Needed	7
Work Stoppages Hit Highest Levels Since '83	7
Unemployment Rates Down in Most States in '89	8
The Arizona Labor Force in December	9
New Developments	15

Arizona Department of Economic Security
— Moving People Toward Self-Sufficiency

W&S Tables Updated to Reflect BLS Format

RA Drops 12 Series, Plans Change in Estimating Technique in '91 or '92

When looking over the Arizona Labor Force Statistics section (see centerfold) in the March *Arizona LMI Newsletter*, don't get excited. Your eyes are not deceiving you. Fewer data series are being published due to an early spring cleaning -- BLS style.

Beginning with January 1990 (and historically revised 1988 and '89) labor force data, estimates for 12 wage and salary employment series, and one hours and earnings series, are being dropped permanently from publication, while two other series are being temporarily eliminated, and one series has been broken.

All but three of the dropped series are being eliminated in order to bring Arizona in line with national publication standards; the other three, because of insufficient data needed to make reliable estimates.

The timing of the series changes (see below) -- and the series break -- however, are related to the implementation of the revised 1987 Standard Industrial Classification (SIC) Manual codes into the Current Employment Statistics (CES) program (see "Revised SIC Manual Shakes Up Industry Mix . . . ," p. 3). And other changes relating to CES data are planned or are under consideration as DES, Research Administration, attempts to deal with such issues as: improving data-gathering techniques, lack of funding, and maintaining BLS publication standards.

One of the positive -- and more exciting -- moves Research Administration will be making in 1991 or 1992 is the implementation of a new data-gathering program called ACES, or Automated Current Employment Statistics. Developed by the state of Iowa, ACES will give added flexibility and more accuracy in producing labor force and wage estimates, particularly on the state level.

> *"With ACES, we'll be doing a top-down estimate, which means we estimate each area exclusively -- the state exclusively, Maricopa County, and so on. ..."*
>
> *--Vic Conti*
> *CES Supervisor*

Currently, Arizona's CES program uses a matrix-type file structure that requires estimates from all 15 counties in order to "wrap up" to monthly industry estimates at the state level, says CES Supervisor Vic Conti. With ACES, each estimating area -- state or county -- will have an exclusive file in a data base, Conti says.

For example, under the present system if a less-populated county, such as Apache County, is lacking a sufficient sample for a specific industry, say automobile dealers, CES often uses historical data to estimate labor force numbers. If this happens in several counties, this process could alter somewhat the reliability of the state total.

"But with ACES, we'll be doing a top-down estimate, which means we estimate each area exclusively -- the

(Continued on page 3)

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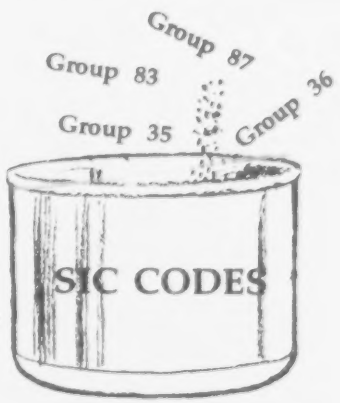
Revised SIC Manual Shakes Up Industry Mix, Accounts for Increase in Service Sectors

Just as the world is constantly changing, so, too, is the industrial makeup of the U.S. (and Arizona) economies. And for good or bad, the nation's economy has become more service oriented over the last few decades (Table 1). As a famous song of the '60s said, "For the times, they are a changin'."

To keep up with these changes statistically, from time to time the federal government updates the Standard Industrial Classification (SIC) Manual, its bible for describing and classifying U.S. business establishments by industry. The SIC Manual is divided into nine major industry divisions (e.g., Manufacturing), which are then subdivided into smaller (two-, three-, and four-digit) industry classifications (e.g., Furniture and Fixtures (two-digit), Household Furniture (three-digit), and Wood Household Furniture (four-digit)).



The SIC Manual's code is used for compiling a variety of establishment-based federal economic statistics, including state and substate labor force, wage and occupational data gathered by three federal-state cooperative programs -- Current Employment Statistics (CES), ES-202 (Unemployment Insurance) and Occupational Employment Statistics (OES). Much of the information from these programs, which in Arizona are under the direction of DES, Research Administration, is available to the public through the *Arizona LMI Newsletter* and other labor market information publications. (See "Data Systems Surveys State's Vital Signs," *Arizona LMI Newsletter*, August 1989.)

In 1987, the first major revision since 1972 of the SIC Manual was issued. Three years prior, the President's Office of Management and Budget (OMB), which oversees publication of the manual, had requested the update to account for rapid growth in the service-producing sector, as well as technological changes and the deregulation of the banking and communications industries[1]. In addition, SIC changes were sought to improve industry detail, coverage and definitions, and to clarify classification concepts.[2]

OMB asked for input for the revision and received approximately 1,100 recommendations from various groups, including government agencies (particularly state employment security agencies), trade associations, businesses, and individuals. An OMB technical committee included 40 percent of the suggestions in the updated manual.

On the national level, the net effect of the SIC revision was an increase of 19 industries in services (Division I), eight in wholesale trade (Division F), and seven in manufacturing (Division D), with a net decrease of 34 industries for other SIC divisions.[3] In addition, some industries were altered by transfer of individual activities, and a few have been renumbered due to the restructuring of the classification at the three-digit level.[4] (A complete list of industry changes

(Continued on page 4)

(Continued from page 2)

state exclusively, Maricopa County exclusively, and so on. And one area is not dependent on any other area," Conti says. To replace each small county estimate, ACES will rely on samples from various places in the state to represent each rural county.

Once ACES is implemented, Conti says, Research Administration will look at expanding published data series, with a primary emphasis on service-producing industries, where the state (and nation) is growing the fastest. "Once we get familiar using the system, then

(Continued on page 5)

Table 1. Arizona, U.S. Goods-Producing vs. Service-Producing Wage and Salary Employment, 1949-1989

	Percentage of Total (Annual Averages)				
ARIZONA	**1989**	**1979**	**1969**	**1959**	**1949**
Goods-Producing	19.6%	25.8%	28.3%	28.6%	24.4%
Service-Producing	80.4	74.2	71.7	71.4	75.6
Pvt. Goods-Producing	23.6	32.2	36.2	36.0	30.4
Pvt. Service-Producing	76.4	67.8	63.8	64.0	69.6
UNITED STATES					
Goods-Producing	23.6*%	29.5%	34.6%	38.3%	40.1%
Service-Producing	76.4*	70.5	65.4	61.7	59.9
Pvt. Goods-Producing	28.2*	35.8	41.9	45.2	46.3
Pvt. Service-Producing	71.8*	64.2	58.1	54.8	53.7

* Preliminary

Source: Arizona Dept. of Economic Security, Research Administration; U.S. Dept. of Labor, Bureau of Labor Statistics

(Continued from page 3)

can be found in the manual's appendix.)

In Arizona, most of the SIC changes affecting CES estimates will not be readily noticeable to the public because the state's labor force statistics are published in less detail than nationally -- primarily division and two-digit levels. But in subareas (two-digit) of two industries -- services and manufacturing -- the new SIC codes did cause a series break and a slight decrease in employment estimates.

The movement of "professional services" out of "business services" (SIC 73) to form part of a new industry group (SIC 87) caused a series break in business services beginning with 1990 (and historically revised 1988 and '89) data and will be noted with four asterisks in the published tables. For the present, however, professional services will only be part of the aggregate total of "services" in state and substate tables, until there is time to determine if it should be published as a separate series.

The other significant change occurred in manufacturing, where the movement of some subindustries (three- and four-digit from SIC codes 35 and 36 ("nonelectrical machinery" and "electrical machinery") into other SIC codes resulted in a net decrease of about 4 percent in the combined SIC 35 and 36 employment estimates from 1987 to '88. This slight reduction, though, was not enough to cause series breaks.

Why, you ask, did it take nearly three years to implement the revised SIC manual into the CES program? Because of the massive amount of data and time needed by U.S. Bureau of Labor Statistics to set up and approve each state's program. The ES-202 and OES programs, however, began using the revised codes in 1988.

More information about the changes affecting each of these programs is available by contacting Research Administration at (602) 542-3871. Copies of the SIC Manual are available at most major public libraries, or may be purchased from the National Technical Information Service in Springfield, Virginia.

1. Standard Industrial Classification Manual, revised 1987, p. 3.
2. Ibid.
3. Ibid.
4. Ibid.

(Continued from page 3)

we could move into some structural changes," he says.

One *possible* change in the future that certainly will not be popular -- particularly in the rural areas -- is the reduction or elimination of published labor force numbers for non-metropolitan counties. Pressure from the Bureau of Labor Statistics and budget woes could force the discontinuation of publishing small county labor force estimates, says Research Administrator Dan Anderson.

"We need to find some other source of funding. Our users -- economic development agencies, job seekers -- are getting tired of paying for it. There is not enough money to do what people want done."

-- Dan Anderson
Research Administrator

"We're not dropping rural counties (now), but if the budget comes under pressure, those data would have to be reviewed," Anderson says, pointing out BLS doesn't require small county data to produce its national statistics and has requested that federal funds not be used to produce them. In addition, Anderson says most states do not produce the level of detail on a county basis as Arizona currently does. Two nearby states produce either no small county data (Nevada) or in much less detail (Texas), Anderson says.

Presently, Research Administration relies on BLS for 50 percent of its funding and almost all the rest comes from other federal grants. The limited state money RA does receive goes toward two positions in the Population Statistics Unit, but none in the labor market information programs, which make up the bulk of the RA workforce.

Table 1. Series Dropped from Monthly CES Tables

- ✓ All "Other" categories in Arizona, Maricopa, and Pima County employment estimates.
- ✓ "Schools" (under "Local Government" and "State Government") in Arizona employment estimates.
- ✓ "Apparel" (under "Nondurable Goods") in Arizona and Maricopa County employment estimates.
- ✓ "Copper Mining" in "Pima County Hours and Earnings" estimates.

"We need to find some other source of funding," Anderson warns. "Our users -- economic development agencies, job seekers -- are getting tired of paying for it. There is not enough money to do what people want done."

An article last October in the *Arizona Republic* said a lack of published data at county and city level in rural areas was hurting small counties' chances for economic development. But Anderson says that if there are no funds to hire analysts to collect the data, then there isn't anything to publish.

Following are a list of present changes being made and reasons for the adjustments:

(Continued on page 6)

(Continued from page 5)

- All of the "Other" categories in Arizona, Maricopa County, and Pima County are being eliminated permanently. Reason: the U.S. Bureau of Labor Statistics (BLS) does not publish "Other" categories.

- " Schools" (under the state "Government" series) will no longer be broken out separately, but will eventually be part of separate Arizona "Local Government" and "State Government" series. However, because Research Administration is still reconfiguring these data cells, "Local Government" and "State Government" series will not be published for the immediate future. Back data for months not published will be available when these two data series resume. Reason: BLS does not break out "Schools" separately.

- "Apparel" series (under "Nondurable Goods" series) is being dropped permanently from the Arizona and Maricopa County tables. Reason: insufficient number of establishments to make accurate estimates.

- "Copper Mining" (under the Pima County "Hours and Earnings Estimates") is being dropped permanently. Reason: insufficient data to make accurate estimates.

- "Professional Services" has been broken out from "Business Services" causing a series break in "Business Services"), but "Professional Services" will not be published separately at the present time. Reason: implementation of the revised SIC codes.

--Brent Fine
Arizona LMI Newsletter Editor

DOL Report Touts Uses of Apprenticeship Training

The U.S. Department of Labor (DOL) in January released "Work-Based Learning: Training America's Workers," a 52-page report that discusses the uses of the apprenticeship method of training and how it will fill the needs for a skilled workforce.

The publication's release coincides with the ending of the first phase of the DOL's Apprenticeship 2000 initiatives, which the department started two years ago.

"This report advances our wide-ranging efforts to help close the skills and motivation gaps which hamper America's productivity and competitiveness," said Secretary of Labor Elizabeth Dole in a DOL news release.

In conjunction with the report's suggestions for expanding work-based training, the DOL's Employment and Training Administration (ETA) has started a series of demonstration projects, together with industries, associations and state and local governments, to study several work-based training strategies. In fiscal year 1989 (July 1, 1989, to June 30, 1990), ETA's Bureau of Apprenticeship and Training (BAT) will use grants of $2 million to work on projects with three national organizations -- National Alliance for Business, AFL-CIO's Human Resources Development Institute, and 70001 Training and Employment Institute.

In the DOL release, BAT National Director James D. Van Erden said work-based training endeavors enable BAT "to extend the successful principles of apprenticeship," including: the combination of on-the-job training and classroom instruction, agreements between program sponsors and apprentices about training content, and nationally recognized credentials upon program completion.

Copies of the report are available by contacting: Bureau of Apprenticeship and Training, U.S. Department of Labor, Room N-4649, 200 Constitution Ave., N.W., Washington, D.C. 20210.

Survey: More Information Wanted for Career Decisions

Nearly two-thirds of American adults would seek more information about career options if they were starting their career over again, according to a national survey, with blacks (79 percent) and Hispanics (75 percent) showing the greatest interest in additional career data, followed by a majority of whites (63 percent).

The survey's results, released in January in the publication "Work in America, A Survey of U.S. Adults on Jobs, Careers and the Workplace," were compiled by The Gallup Organization for the National Occupational Information Coordinating Committee (NOICC) and the National Career Development Association (NCDA). NOICC is a federal interagency committee established by Congress in 1976 to coordinate the development and use of occupational, career and labor market information.

Among other findings of the survey:

- **Four out of 10 working adults followed a definite plan in mapping out their careers, with college graduates (62 percent) more likely than high school graduates (32 percent) to plan a career.**
- **Twenty-seven percent of blacks said they took the only jobs that were available to them, compared to 19 percent of Asians, 17 percent of Hispanics, and 10 percent of whites.**
- **Newspapers and magazines were cited by 38 percent of respondents as sources of information about jobs, followed by college career information centers (22 percent), and public and private employment services (19 percent).**
- **Twenty-seven percent said they needed additional assistance in finding information about jobs, with blacks reporting the highest need (44 percent) and whites the least (25 percent) among ethnic groups.**
- **Fifty-three percent said public high schools are not providing the training in job-seeking skills for students who are not going to college; and 40 percent said high schools are not providing enough help to students to choose careers.**

Work Stoppages Recorded Highest Levels Since '83

After two years of record lows, work stoppage activity rose in 1989, the U.S. Department of Labor's Bureau of Labor Statistics reports.

Major stoppages in effect last year resulted in 17 million days of idleness, more than in any year since 1983. Major work stoppages (51) and workers involved (452,000), however, were still among the lowest recorded by the Bureau's series, which dates back to 1947. The series covers strikes and lockouts involving 1,000 workers or more and lasting at least one shift.

The 17 million work days of idleness amounted to only about 7 out of every 10,000 available work days during the year. Slightly more than one-third (6.4 million days) of the year's idleness resulted from four disputes in the telephone industry. Disputes at Eastern Airlines involving the Machinists, the Air Line Pilots Association, and the Transport Workers Union, and at Boeing, involving the Machinists, accounted for 30.4 percent and 10.7 percent of the idleness, respectively.

The 1989 stoppage with the most workers occurred at Nynex's New York and New England Telephone companies, involving 60,000 workers represented by the Communication Workers and the Electrical Workers (IBEW). (This stoppage, combined with those at three other major telephone companies, accounted for somewhat more than two-fifths of all workers involved in major stoppages in 1989.) Following closely was the 49-day Boeing-Machinists stoppage, which involved 57,000 workers in seven states.

NOTE: The term "work stoppage" includes worker-initiated strikes, as well as lockouts of workers by their employers.

Unemployment Rates Declined in Majority of States, Regions in '89

Unemployment rates for 1989 were lower in 33 states than in 1988, according to annual average estimates released by the U.S. Labor Department's Bureau of Labor Statistics. The national unemployment rate for all civilian workers declined from 5.5 to 5.3 percent over this period.

Unemployment rate disparities between regions of the country continued to be evident, although less so than in 1988 (Table 1). For the four major regions, the rates ranged from a low of 4.5 percent in the Northeast to 5.7 percent in the South; the range in 1988 was from 4.0 to 6.1 percent. The differences were larger for the nine subdivisions, with jobless rates ranging from 3.9 percent in New England to 6.8 percent in West South Central.

The convergence of unemployment rates among states between 1988 and 1989 was apparent. Those which had the highest rates in 1988, such as Louisiana, West Virginia, and Alaska, showed pronounced drops in 1989, while many states with the lowest rates, particularly in New England, experienced rising unemployment. In all, 35 states had unemployment rates in 1989 that were closer to the national average rate than was the case in 1988.

States with 1989 unemployment rates higher than the national average were concentrated in the South, the highly industrialized Midwest, and in states heavily engaged in oil, gas, and mineral extraction. Lower-than-average rates were grouped in the Northeast, down the East Coast, and in the northern Plains states.

(Continued on page 9)

Table 1. Unemployment Rates by Regions, States, 1988-1989

	1988	1989
United States[1]	5.5	5.3
NORTHEAST	4.0	4.5
New England	3.1	3.9
Connecticut	3.0	3.7
Maine	3.8	4.1
Massachusetts	3.3	4.0
New Hampshire	2.4	3.5
Rhode Island	3.1	4.1
Vermont	2.8	3.7
Middle Atlantic	4.4	4.7
New Jersey	3.8	4.1
New York	4.2	5.1
Pennsylvania	5.1	4.8
MIDWEST	5.8	5.4
East North Central	6.3	5.7
Illinois	6.8	6.0
Indiana	5.3	4.7
Michigan	7.8	7.1
Ohio	6.0	5.5
Wisconsin	4.3	4.4
West North Central	4.7	4.8
Iowa	4.5	4.3
Kansas	4.8	4.0
Minnesota	4.0	4.3
Missouri	5.7	5.5
Nebraska	3.6	3.1
North Dakota	4.8	4.3
South Dakota	3.9	4.2
SOUTH	6.1	5.7
South Atlantic	4.8	4.8
Delaware	3.2	3.5
District of Columbia	5.0	5.0
Florida	5.0	5.6
Georgia	5.8	5.5
Maryland	4.5	3.7
North Carolina	3.6	3.5
South Carolina	4.6	4.7
Virginia	3.9	3.9
West Virginia	9.9	8.6
East South Central	7.1	6.2
Alabama	7.2	7.0
Kentucky	7.9	6.2
Mississippi	6.4	7.0
Tennessee	5.8	6.1
West South Central	7.8	6.8
Arkansas	7.7	7.2
Louisiana	10.9	7.9
Oklahoma	6.7	5.6
Texas	7.3	6.7

Table 1. Unemployment Rates by Regions, States, 1988-1989 (Cont.)

	1988	1989
WEST	5.6	5.3
Mountain	6.2	5.5
Arizona	6.3	5.2
Colorado	6.4	5.8
Idaho	5.8	5.1
Montana	6.8	5.9
Nevada	5.2	5.0
New Mexico	7.8	8.7
Utah	4.9	4.6
Wyoming	6.3	6.3
Pacific	5.4	5.2
Alaska	9.3	6.7
California	5.3	5.1
Hawaii	3.2	2.6
Oregon	5.8	5.7
Washington	6.2	6.2

1. Because of separate processing and weighting procedures, totals for the United States differ from the results obtained by aggregating the data for regions, divisions, or states. Moreover, due to independent population adjustments, data for geographic components may not add to totals for larger geographic areas.

(Continued from page 8)

Six states had unemployment rates of 7 percent or higher in 1989, four fewer than in 1988. West Virginia, with a rate of 8.6 percent, replaced Louisiana as the state with the highest unemployment rate; Hawaii, at 2.6 percent, had the lowest rate, replacing New Hampshire. The largest year-to-year increases occurred in New Hampshire (from 2.4 to 3.5 percent) and Rhode Island (from 3.1 to 4.1 percent). Louisiana experienced the largest decrease with a drop of 3 percentage points, from 10.9 to 7.9 percent.

NOTE: The 1988 population and labor force estimates have been revised to reflect updated state population estimates used as controls for the Current Population Survey. Also, all estimates, except those for Puerto Rico, were derived from the Current Population Survey, a sample survey of about 60,000 households conducted monthly for the Bureau of Labor Statistics by the Bureau of the Census.

The Arizona Labor Force in December

Arizona's unemployment rate continued to decline in December, dropping to 4.3 percent, its lowest level since July 1984. It was the second-lowest rate Arizona experienced in 18 years.

Once again, a declining labor force was the reason for the low rate, not increasing employment. In fact, residence-based total employment declined by 8,000 in December. Arizona's labor force has been declining since May, shrinking by 49,400. The shrinking labor force suggests workers are either leaving the state, or residents are dropping out of the labor force.

Unemployment, too, has been shrinking with a total of 41,500 unemployed dropping from the ranks since August. Arizona's December unemployed of 68,100 was the lowest since September 1984.

Arizona's establishment survey, on the other hand, presents a mixed picture in December with some elements in support of an improved economy and some showing continuing weakness. Total nonfarm wage-and-salary jobs increased by 9,500, a respectable December showing. Better-than-average seasonal growth in trade; services; and transportation, communication, and public utilities (TCPU) was the reason for the growth in total jobs.

Nevertheless, there was continued weakness in manufacturing and construction. Manufacturing remained even over-the-month, standing at 190,300 jobs. Construction dropped another 1,900, or about 900 more than seasonally normal.

With December employment estimates in, it might be expected that we would

(Continued on page 14)

December 1989 (in thousands)

	ARIZONA				
				Amount Change	
	Dec.* 1989	Nov. 1989	Dec. 1988	Nov.- Dec.	1988- 1989
TOTAL CIVILIAN LABOR FORCE**	1691.3	1707.2	1683.1	-15.9	+8.2
Total Unemployment	68.1	76.0	90.0	-7.9	-21.9
Rate	4.0	4.5	5.3	----	----
Rate (Sea. Adj.)***	4.3	4.8	5.8	----	----
Total Employment	1623.2	1631.2	1593.1	-8.0	+30.1

The Above Labor Force Statistics Should Not

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK

TOTAL WAGE AND SALARY	1486.2	1476.7	1434.8	+9.5	+51.4
Manufacturing	190.3	190.3	189.8	+0.0	+0.5
Durable Goods	144.5	144.5	146.2	+0.0	-1.7
Stone, Clay, and Glass	7.8	7.8	7.7	+0.0	+0.1
Primary and Fabricated Metals	16.0	15.9	15.8	+0.1	+0.2
Primary Metals	7.5	7.4	7.5	+0.1	+0.0
Fabricated Metals	8.5	8.5	8.3	+0.0	+0.2
Machinery	62.3	62.4	65.8	-0.1	-3.5
Other Durable Goods	58.4	58.4	56.9	+0.0	+1.5
Aircraft and Missiles	25.9	26.0	26.2	-0.1	-0.3
Lumber and Wood Products (Excluding Furniture)	8.8	8.7	8.4	+0.1	+0.4
All Other Durable Goods	23.7	23.7	22.3	+0.0	+1.4
Nondurable Goods	45.8	45.8	43.6	+0.0	+2.2
Food and Kindred Products	9.9	10.0	9.4	-0.1	+0.5
Apparel	4.7	4.8	4.5	-0.1	+0.2
Printing and Publishing	17.2	17.1	16.8	+0.1	+0.4
All Other Nondurable Goods	14.0	13.9	12.9	+0.1	+1.1
Mining and Quarrying	12.3	12.1	12.1	+0.2	+0.2
Copper Mining	9.3	9.2	8.9	+0.1	+0.4
Other Mining and Quarrying	3.0	2.9	3.2	+0.1	-0.2
Construction	87.5	89.4	92.6	-1.9	-5.1
Trans., Communications, & Public Utilities	75.7	74.6	73.1	+1.1	+2.6
Transportation	40.9	40.0	37.2	+0.9	+3.7
Communications and Public Utilities	34.8	34.6	35.9	+0.2	-1.1
Trade	382.4	374.3	359.3	+8.1	+23.1
Wholesale Trade	74.0	72.9	68.6	+1.1	+5.4
Retail Trade	308.4	301.4	290.7	+7.0	+17.7
General Merchandise and Apparel	52.7	49.1	48.5	+3.6	+4.2
Food Stores	51.1	50.3	48.8	+0.8	+2.3
Automotive and Service Stations	35.7	35.7	34.4	+0.0	+1.3
Eating and Drinking Places	103.8	102.7	99.0	+1.1	+4.8
Other Retail Trade	65.1	63.6	60.0	+1.5	+5.1
Finance, Insurance, and Real Estate	93.3	93.1	91.5	+0.2	+1.8
Services and Miscellaneous	383.0	380.0	363.2	+3.0	+19.8
Hotels and Other Lodging Places	44.6	44.5	41.2	+0.1	+3.4
Business Services	80.2	79.3	77.8	+0.9	+2.4
Health Services	95.5	94.8	91.6	+0.7	+3.9
Other Services	162.7	161.4	152.6	+1.3	+10.1
Government	261.7	262.9	253.2	-1.2	+8.5
Federal	45.1	45.0	44.0	+0.1	+1.1
State and Local	216.6	217.9	209.2	-1.3	+7.4
School	125.0	125.7	120.2	-0.7	+4.8

* Preliminary

** Labor force, unemployment, and employment are reported by place of residence.

*** Normal seasonal variations have been eliminated to reflect underlying economic trends.

December 1989 (in thousands)

MARICOPA COUNTY					PIMA COUNTY				
			Amount Change					Amount Change	
Dec.* 1989	Nov. 1989	Dec. 1988	Nov.- Dec.	1988- 1989	Dec.* 1989	Nov. 1989	Dec. 1988	Nov.- Dec.	1988- 1989
1051.3	1059.3	1039.6	-8.0	+11.7	316.4	319.3	319.0	-2.9	-2.6
36.4	39.9	46.8	-3.5	-10.4	10.8	11.7	14.2	-0.9	-3.4
3.5	3.8	4.5	---	---	3.4	3.7	4.5	---	---
3.6	3.9	4.7	---	---	3.5	3.7	4.6	---	---
1014.9	1019.4	992.8	-4.5	+22.1	305.6	307.6	304.8	-2.0	+0.8

Used for Economic Assistance Programs

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK

979.7	972.3	943.0	+7.4	+36.7	257.5	256.2	252.9	+1.3	+4.6
139.8	139.9	138.2	-0.1	+1.6	28.0	28.1	30.0	-0.1	-2.0
107.7	107.7	107.9	+0.0	-0.2	22.2	22.3	24.1	-0.1	-1.9
4.8	4.8	5.1	+0.0	-0.3					
10.7	10.6	10.5	+0.1	+0.2					
51.3	51.5	52.5	-0.2	-1.2					
40.9	40.8	39.8	+0.1	+1.1					
32.1	32.2	30.3	-0.1	+1.8	5.8	5.8	5.9	+0.0	-0.1
6.5	6.6	6.0	-0.1	+0.5					
3.5	3.6	3.4	-0.1	+0.1					
12.2	12.1	11.8	+0.1	+0.4					
9.9	9.9	9.1	+0.0	+0.8					
0.9	0.9	0.8	+0.0	+0.1	2.1	2.1	1.9	+0.0	+0.2
58.9	60.1	63.6	-1.2	-4.7	15.7	16.0	16.9	-0.3	-1.2
53.1	52.3	50.9	+0.8	+2.2	9.6	9.5	9.2	+0.1	+0.4
30.2	29.5	27.4	+0.7	+2.8	5.0	4.9	4.7	+0.1	+0.3
22.9	22.8	23.5	+0.1	-0.6	4.6	4.6	4.5	+0.0	+0.1
258.5	252.7	242.7	+5.8	+15.8	62.4	61.3	59.2	+1.1	+3.2
59.4	58.8	54.9	+0.6	+4.5	7.5	7.4	6.9	+0.1	+0.6
199.1	193.9	187.8	+5.2	+11.3	54.9	53.9	52.3	+1.0	+2.6
32.9	30.4	30.3	+2.5	+2.6	8.5	8.0	8.6	+0.5	-0.1
33.6	33.0	31.8	+0.6	+1.8	8.1	8.0	8.3	+0.1	-0.2
23.0	22.9	21.7	+0.1	+1.3	5.6	5.6	5.5	+0.0	+0.1
66.4	65.5	63.7	+0.9	+2.7	19.3	19.1	18.4	+0.2	+0.9
43.2	42.1	40.3	+1.1	+2.9	13.4	13.2	11.5	+0.2	+1.9
74.8	74.7	72.8	+0.1	+2.0	11.5	11.5	12.0	+0.0	-0.5
258.8	256.4	244.9	+2.4	+13.9	71.5	71.2	68.2	+0.3	+3.3
27.9	27.3	24.7	+0.6	+3.2	7.0	7.1	6.7	-0.1	+0.3
62.6	62.0	60.8	+0.6	+1.8	11.7	11.7	11.7	+0.0	+0.0
61.5	61.1	59.7	+0.4	+1.8	20.7	20.5	19.6	+0.2	+1.1
106.8	106.0	99.7	+0.8	+7.1	32.1	31.9	30.2	+0.2	+1.9
134.9	135.3	129.1	-0.4	+5.8	56.7	56.5	55.5	+0.2	+1.2

NOTE: Prepared by the Arizona Department of Economic Security, Research Administration, in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

Nonmetropolitan Counties
Labor Force and Employment
December 1989

	Apache	Cochise	Coco-nino	Gila	Graham	Green-lee	La Paz
CIVILIAN LABOR FORCE*	14,350	34,900	42,525	12,350	8,875	2,850	5,550
Total Unemployment	1,375	1,825	2,550	900	525	225	300
Rate	9.6%	5.2%	6.0%	7.3%	5.9%	7.9%	5.4%
Rate (Seas. Adj.)**	10.7%	5.5%	5.9%	7.3%	6.3%	8.2%	5.3%
Total Employment	12,975	33,075	39,975	11,450	8,350	2,625	5,250
THE ABOVE LABOR FORCE STATISTICS SHOULD NOT BE USED FOR ECONOMIC ASSISTANCE PROGRAMS							
TOTAL WAGE AND SALARY	15,300	26,250	39,825	11,000	5,850	2,800	3,800
Manufacturing	925	1,275	3,300	1,400	225	50	350
Mining & Quarrying	50	175	200	1,275	0	1,575	75
Construction	850	850	1,800	450	225	100	200
T.C.P.U.	1,850	1,650	2,025	400	175	50	100
Trade	1,600	6,100	9,700	2,500	1,500	225	1,225
F.I.R.E.	350	675	850	300	100	25	100
Services & Misc.	4,400	4,975	10,050	2,100	975	125	925
Government	5,275	10,550	11,900	2,575	2,650	650	825

	Mohave	Navajo	Pinal	Santa Cruz	Yavapai	Yuma
CIVILIAN LABOR FORCE*	33,425	26,900	38,950	11,150	38,350	53,375
Total Unemployment	1,475	1,900	2,050	975	1,625	5,050
Rate	4.4%	7.1%	5.3%	8.7%	4.2%	9.5%
Rate (Seas. Adj.)**	4.3%	7.6%	5.7%	10.6%	4.1%	16.6%
Total Employment	31,950	25,000	36,900	10,175	36,725	48,325
THE ABOVE LABOR FORCE STATISTICS SHOULD NOT BE USED FOR ECONOMIC ASSISTANCE PROGRAMS						
TOTAL WAGE AND SALARY	23,900	21,450	31,600	10,900	26,925	29,250
Manufacturing	2,600	2,075	4,275	1,275	2,325	2,400
Mining & Quarrying	100	1,150	3,750	0	825	50
Construction	2,150	1,175	1,175	375	2,275	1,375
T.C.P.U.	1,175	1,750	950	675	1,050	1,125
Trade	7,500	4,250	5,875	4,550	7,400	9,000
F.I.R.E.	1,100	350	850	275	975	975
Services & Misc.	5,400	4,925	4,175	1,875	6,275	6,525
Government	3,875	5,775	10,550	1,875	5,800	7,800

* Adjusted to the Current Population Survey (CPS) to reflect place of residence.

** Seasonal adjustment not applicable for economic assistance programs.

T.C.P.U. = Transportation, Communications, and Public Utilities
F.I.R.E. = Finance, Insurance, and Real Estate

Prepared in conjunction with the U.S. Department of Labor, Bureau of Labor Statistics.

Estimated Hours and Earnings of Production Workers in Selected Industries Arizona

INDUSTRY	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	Dec.* 1989	Nov. 1989	Dec. 1988	Dec.* 1989	Nov. 1989	Dec. 1988	Dec.* 1989	Nov. 1989	Dec. 1988
Manufacturing	421.93	422.35	413.66	41.9	41.9	41.7	10.07	10.08	9.92
Aicraft & Missiles	654.58	634.65	INA	46.0	45.3	INA	14.23	14.01	INA
Food & Kindred Prod.	341.75	340.38	326.58	39.6	38.9	39.3	8.63	8.75	8.31
Primary Metals	482.30	485.45	503.87	37.1	36.5	39.8	13.00	13.30	12.66
Machinery	384.52	393.38	411.26	39.6	40.1	40.8	9.71	9.81	10.08
Copper Mining	577.58	586.04	535.10	43.2	43.8	40.8	13.37	13.38	12.87
Construction	431.22	432.03	420.64	37.4	36.8	36.2	11.53	11.74	11.62
Utilities	703.12	695.70	640.48	44.0	43.4	42.5	15.98	16.03	15.07
Retail Trade**	251.75	255.64	242.22	33.3	33.2	33.0	7.56	7.70	7.34
Wholesale Trade	374.79	379.82	369.72	39.0	38.6	39.0	9.61	9.84	9.48

Estimated Hours and Earnings of Production Workers in Selected Industries Maricopa County

INDUSTRY	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	Dec.* 1989	Nov. 1989	Dec. 1988	Dec.* 1989	Nov. 1989	Dec. 1988	Dec.* 1989	Nov. 1989	Dec. 1988
Manufacturing	445.60	444.37	439.95	42.6	42.2	42.1	10.46	10.53	10.45
Construction	451.58	451.40	439.56	37.6	37.0	37.0	12.01	12.20	11.88
Retail Trade**	260.95	267.26	267.81	33.2	33.2	33.9	7.86	8.05	7.90
Wholesale Trade	392.82	394.29	391.44	39.4	39.0	39.7	9.97	10.11	9.86

Estimated Hours and Earnings of Production Workers in Selected Industries Pima County

INDUSTRY	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	Dec.* 1989	Nov. 1989	Dec. 1988	Dec.* 1989	Nov. 1989	Dec. 1988	Dec.* 1989	Nov. 1989	Dec. 1988
Manufacturing	371.69	378.87	386.16	38.2	38.7	40.1	9.73	9.79	9.63
Copper Mining	613.01	630.84	578.34	43.2	43.9	42.0	14.19	14.37	13.77
Construction	373.32	380.09	388.07	36.6	37.3	37.1	10.20	10.19	10.46
Utilities	577.28	561.82	584.22	38.9	38.8	41.2	14.84	14.48	14.18

* Preliminary.

** Excudes eating and drinking places.

Note: These estimates are based on a sample of full- and part-time production and related employees whose payroll and hours are reported for the pay period which includes the 12th of the month. Prepared in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

Arizona Labor Force and Employment for Economic Assistance Programs December 1989

County	Civilian Labor Force	Employment	Unemployment	Rate
Statewide	1,705,546	1,613,532	92,014	5.4%
Apache	14,355	12,971	1,384	9.6
Cochise	34,904	33,069	1,835	5.3
Coconino	42,525	39,963	2,562	6.0
Gila	12,344	11,441	903	7.3
Graham	8,884	8,360	524	5.9
Greenlee	2,852	2,621	231	8.1
La Paz	5,557	5,260	297	5.3
Maricopa	1,051,319	1,014,876	36,443	3.5
Mohave	33,401	31,938	1,463	4.4
Navajo	26,902	24,996	1,906	7.1
Pima	316,428	305,594	10,834	3.4
Pinal	38,950	36,895	2,055	5.3
Santa Cruz	11,137	10,169	968	8.7
Yavapai	38,330	36,717	1,613	4.2
Yuma	53,372	48,314	5,058	9.5

These figures are the only official BLS labor statistics to be used for revenue sharing purposes. They are not designed to be used as economic indicators.

NOTE: Series for Yuma and La Paz counties start January 1983. Data are not comparable to any past series.

The Arizona Labor Force in December

(Continued from page 9)

discuss over-the-year growth in jobs. We prefer to leave that discussion, however, until benchmarking is completed in February.

Every year at this time the Current Employment Statistics (CES) program checks monthly estimates from its establishment survey with the quarterly reports of employers, employees and wages (ES-202 reports) compiled from unemployment insurance (UI) files. This is a way of comparing estimates developed from reports of a sample of about 4,000 Arizona employers against administrative reports from more than 90 percent of all Arizona employers.

The UI reporting lag of about six months only permits benchmarking 1989 data to the first quarter of ES-202 data, while 1988 is again benchmarked against all four quarters of 1988 ES-202 information. Consequently, revised estimates will be made for 1988 and 1989.

The DES, Research Administration, will discuss over-the-year change for 1989 with the release of January statistics and as part of its annual forecast release in late February.

(Continued on page 15)

(Continued from page 14)

Returning to December's performance, trade added 8,100 jobs; 1,100 in wholesale and 7,000 in retail. Wholesale trade's growth was more than seasonal by about 400 statewide. About 300 of the more-than-seasonal 400 was in Maricopa County, and 100 was in Pima County.

Retail trade had more-than-average seasonal growth in department stores and restaurants, and less-than-average growth in food stores. The grocery wars seem to have cooled, and perhaps a readjustment is occurring from earlier expansion.

Services added 3,000 jobs. Hotels, businesses, and health services all grew about as seasonally expected, but the "other services" group that includes amusement and recreation services (particularly, the racetracks) added a more-than-seasonal 1,300.

Finally, among the growth industries, TCPU had a good December. Transportation was 50 percent above its average, adding 900. Communication and public utilities, which usually do not grow at all in December, picked up 200.

The down side of the economy remained the goods-producing group of industries. Nationally, much was made of the car manufacturers' doldrums. The Big Three all announced at least temporary layoffs through the holidays to work off inventories. In Arizona, manufacturing again showed no growth.

Since semiconductor components are used in cars, Arizona can expect to suffer some when the domestic car industry is hurting. Machinery, and aircraft and missiles each dropped a 100. Only more of the same can be expected with planning for reduced national defense budgets under way with a vengeance in Congress.

In earlier months, there was some growth in manufacturing among the nondurable-goods producers even as durable-goods producers languished. In December, nondurables also declined, dropping 100 each in food and kindred products, and in apparel manufacturing.

Construction continued its limbo dance in December, down another 1,900 for the month to 87,500, a level it had not seen since January 1984. We can only continue to ask, "How low can you go?" Every time we ask, it gets lower.

The related industry of finance, insurance, and real estate (FIRE) was limbo dancing to the same tune in 1988; however, throughout 1989 FIRE has been edging back up, recovering 2,500 of 1988's lost jobs. It ended the year at a level of 93,300, still 1,500 below March 1988's peak. FIRE gained 200 over-the-month.

--Ron Simon
RA Economic Analysis Manager

New Developments

"New Developments" is featured each month as a service to our readers. This section is a compilation of public announcements and articles from newspapers and periodicals about events significant to Arizona labor markets. Due to space limitations, however, an exhaustive list of business news is not possible. In addition, the Arizona LMI Newsletter is not responsible for incorrect information reported by these sources.

MANUFACTURING -- A joint venture headed by **International Business Machines (IBM)** to produce chips for American-made micro-computers is only a faded memory, due to a lack of interest and an increased supply of

(Continued on page 16)

(Continued from page 15)

Japanese-made chips. The consortium known as **U.S. Memories** had narrowed down a location for a $1 billion chip-making plant to four cities -- including Phoenix -- before deciding in mid-January to pull the plug on the project, which was expected to employ up to 2,000 people. The state of Arizona had offered several incentives to lure the project, including tax breaks on land where the plant would be built.

Work is on track for **Motorola Inc.'s** $350 million office and production complex on its Chandler campus that will house the company's **Application Specific Integrated Circuits Division**. With an office building set to open in September and a 264,000-square-foot research and wafer-production facility to begin operation in 1991, the entire 430,000-square-foot project is expected to create 250 new jobs when completed. Motorola's current employment in Chandler is 800. The new buildings are necessary to accommodate the manufacture of an advanced generation of customized integrated circuits -- semi-custom microchips --, the brains of computers.

AmerEco Environmental Services, which specializes in recycling used solvents and waste oil from garages, has laid off 22 employees in Phoenix and Kingman because of financial woes. The Department of Defense cancelled a $2.2 million contract with AmerEco, which is under investigation by the U.S. Environmental Protection Agency and other federal agencies concerning alleged mishandling of waste materials at its Kingsville, Mo., operation.

Tucson-based **Shape West** laid off 60 employees in its data storage cartridge unit in late January, coming on the heals of the termination of 130 workers earlier in the month in its floppy disk division. Only 25 employees, primarily engineers, remain at the plant to work on a new type of videotape. Stiff competition from Asian companies is blamed for the problems of Shape West, which employed 350 people in 1988.

One part of **McDonnell Douglas'** operations in Arizona is soaring, while another is taking a nose dive. The aviation company says it will expand its workforce at its Yuma testing facility with 500 temporary employees for final testing of the $90 million MD-11 widebody passenger jet. **McDonnell Douglas Helicopter Co.**, however, is laying off 400 people from its 5,200-person work force in conjunction with the winding down of production of the Apache attack helicopter for the Defense Department. The company is also delaying plans for expansion of its light-helicopter facilities, which will produce the new MDX and MD 520N/530N helicopters.

Loral Defense-Systems-Arizona has laid off 250 employees -- 25 percent of its personnel -- due to cutbacks in its defense-related business. Loral, which builds radar-reconnaissance systems and missile-transport and launch systems, has let go 600 workers over the past three years.

Smith's Food & Drug Centers is planning to build a West Coast distribution facility and ice cream manufacturing plant in Goodyear or Tolleson, which could employ as many as 700 people. The Salt Lake City-based supermarket chain, which has been expanding rapidly in the Phoenix area, also is considering moving its headquarters to Goodyear or Tolleson. Smith's operates 95 supermarkets in eight western states.

TRW Safety Systems of Mesa has announced plans to expand its airbag manufacturing operation. TRW has filed an application with the Mesa Planning Department to add a second

(Continued on page 17)

(Continued from page 16)
plant in Mesa by 1993 that could employ an additional 1,300 people. The air-bag company reported sales of $820 million in 1989.

Siemens Transmission Systems, which manufactures and markets telecommunications equipment, eliminated 120 jobs at its Phoenix headquarters in January due to a company consolidation. Most of Siemens' Phoenix operations will merge with a sister unit in Boca Raton, Fla., with a smaller division -- Carrier Products Group -- being formed in Phoenix and Albuquerque. No information is available about how many workers remain in Phoenix.

Arizona Trend, a monthly business magazine published in Phoenix, has stopped publication after three years of operation. Owned by St. Petersburg, Fla.-based Trend Magazines Inc., *Arizona Trend* had a circulation of under 30,000.

CONSTRUCTION -- **Continental Homes** of Scottsdale and **UDC Homes** of Tempe ranked 1 and 2 in sales in the Phoenix area in 1989. Continental sold 1,136 homes, down from 1,290 in 1988, while UDC Homes sold 1,103, up from 981 the year before. Rounding out the Top 10 builders for the Phoenix area were: Del Webb (625), General (426), Pulte (389), US Homes (349), Knoell/Shea (299), Ryland (294), Emerald (288), and Richmond American (275).

Indianapolis-based development company **Melvin Simon & Associates Inc.** is negotiating with Mesa developer **Conley Wolfswinkel** to build a regional shopping mall in the East Valley. The 800,000-square-foot development would be located on the northeast corner of Alma School and Holmes in Mesa. Simon and a group of Scottsdale developers broke ground on the 1.3 million-square-foot **Scottsdale Galleria**, Scottsdale and Camelback roads, in July. If the first project goes through, it would be one of five regional malls either planned or completed in the Southeast Valley.

A $125 million resort featuring an 18-hole golf course, 50-room lodge, and 50 guest houses, and golf and tennis clubhouse is under development by **Pinnacle Peak Partners**. The project, called **Estancia**, will be a vacation-oriented facility owned by 1,625 members located near Pinnacle Peak and Dynamite Boulevard.

When will the boom times end for Laughlin, Nev.? Not in the foreseeable future apparently, as another major hotel complex was announced for the Nevada gambling resort across from the Colorado River from Bullhead City. The latest project, planned by Phoenix-based **McCarthy Western Constructors Inc.** and Japanese-owned **JDC (America) Corp.**, is the $1 billion **Emerald River Hotel and Casino**, which will feature two hotel towers, 6,000 rooms, 800,000 square feet of casino space, 1 million square feet of convention space, and an 18-hole golf course.

FINANCE, INSURANCE and REAL ESTATE -- Almost all of the state's major banks lost money through the third quarter of 1989, with banks overall in Arizona losing $463 million. In addition, for the first three months of 1989, Arizona banks' non-performing loans increased 7.8 percent and assets fell 6 percent.

The recently opened **Two Renaissance** building in downtown Phoenix is 65 percent leased. The 28-story, 490,000-square-foot office tower, bounded by Washington Street, First Avenue, Adams Street, and Central Avenue, is anchored by the law firm of Lewis and Roca, and Pinnacle West Corp.

Security Pacific Corp. of Los Angeles, which consolidated its western credit

(Continued on page 18)

(Continued from page 17)

-card operations last year and moved to Tempe, has hired about half of its employees. An additional 250 to 300 employees will be hired during the rest of 1990. About 450 of its total credit-card workforce will be from Arizona, Security Pacific says.

SERVICES -- East Valley-St. Luke's Behavioral Health Center, which had operating losses of $3.4 million over the past three years, closed Feb. 1. The closing of the psychiatric, and drug- and alcohol-treatment facility, part of a joint venture of St. Luke's Health System and Chandler Regional Hospital, eliminated 85 jobs, but some workers were expected to be hired by other St. Luke's facilities.

TRANSPORTATION, COMMUNICATIONS AND PUBLIC UTILITIES (TCPU) -- Dallas-based **Southwest Airlines** is considering building an aircraft maintenance facility in Phoenix. The operation would service planes used primarily in Arizona and California.

TRADE -- **Dillard's** is currently expanding and renovating its Valley operation. In December, the department-store chain opened a remodeled-Fiesta Mall store, and early in February a 60-percent larger new store replaced its operation at the Paradise Valley Mall. Seventy-five full- and part-time jobs are being created by the new Paradise Valley store, at Tatum and Cactus roads. New stores are also under construction at the Scottsdale Fashion Square (Scottsdale and Camelback roads), and in the Superstition Springs Mall (Power Road and Superstition Freeway) in Mesa. The latter two are expected to open in June and November, respectively.

After getting a foothold in the rest of the state, **Wal-Mart Stores Inc.** is making its move in the Valley with plans to build or building under way on three stores and negotiations ongoing for three additional locations. Locations set to open in 1990 are in Glendale (Bell Road and 59th Avenue), Chandler (Alma School and Warner roads), and Mesa (Signal Butte and Highway 69 East). The three stores under negotiation, which could employ as many as 700 people, are in northeast and west Phoenix, and Peoria. Arkansas-based Wal-Mart, which has 275,000 employees in 1,367 stores nationwide, currently has 15 stores in Arizona, including three locations which were expected to open in January in Green Valley, Lake Havasu City, and Bullhead City. Stores in Yuma and Prescott are also expected to open later this year.

Home Express, a California-based retail chain, closed its two Valley locations, both unprofitable, in January. An unspecified number of employees lost their jobs due to the closure.

El Pollo Loco, not to be confused with El Pollo Asado, opened three stores -- two in Mesa and one in Goodyear -- in the past two months. The Irvine-Calif.-based charbroiled-chicken chain, a subsidiary of Denny's Restaurants, now has seven Phoenix-area locations and says it expects to have 15 Valley stores by the end of 1991. Phoenix-based El Pollo Asado, also a charbroiled-chicken chain, has filed for bankruptcy protection and closed all its company-owned locations in Arizona, although 25 franchise stores in Arizona, California, Nevada, and Rhode Island remain open.

Revco D.S. Inc., the nation's largest drugstore chain, plans to sell more than 700 stores in 17 states, including 102 stores in Arizona. The move is prompted because of high debt Revco assumed from a $1.5 billion leveraged buyout in 1986. Current employees -- about 12 per store -- will be retained by eventual buyers, Revco says.

Coming on the heels of a reduction in

(Continued on page 19)

(Continued from page 18)

custodial and security personnel in December, **Smitty's** supermarkets announced it is eliminating 90 positions, mostly managers. The layoffs at Smitty's, which operates 24 stores in the Phoenix area, are part of the supermarket chain's restructuring plan.

The $34 million **Bell Canyon Pavillions** shopping center, Bell Road and Interstate 17, is scheduled to open by the end of April. Major tenants include an Albertson's grocery superstore, Supersaver Cinema, Paddock Pool & Patio, Dobb's Furniture, Oshman's Sporting Goods, and Popular Outfitters.

Renovated **Los Arcos Mall**, Scottsdale and McDowell roads, has eight new stores: They include: a bakery, Treats Cafe; four restaurants, Taquitos Real, Karmel Korn, Orange Julius, and Dairy Queen; Sam Goody, a music and video store; Amy's Hallmark; Kay Jewelers; Gold Art Creations; and an AT&T Phone Center.

Three D Departments Inc. of Costa Mesa, Calif., is considering expanding and remodeling the eight-store **Linens Plus** chain it acquired in December. In addition to Linens Plus, Three D operates 28 outlets in Connecticut and California specializing in bed and bath products.

TJ Maxx, an off-price retail chain, is opening four stores in Arizona -- two in Phoenix, and one each in Mesa and Tucson -- in late April. The Tucson store, located at 6230 N. Oracle Road, is expected to employ up to 100 workers. DES Job Service will help screen applicants for positions at all of the stores.

An $11.5 million project in **South Phoenix**, which will feature 192,000-square-feet of retail space, is expected to employ up to 400 people by 1991. Located within the $35 million Southgate Center, at Central Avenue and Baseline Road, the development will feature two major parts -- the 95,000-square-foot **Parkway Plaza**, anchored by a K mart, and the 97,000-square-foot **Central Plaza**, which will include a Mega Foods, Revco Drugs, and Pistol Pete's Pizza. Mega Foods is expected to open in May and K mart in July.

GOVERNMENT -- **Pima County** is eliminating 22 permanent and 16 temporary positions -- 40 percent of staff -- in its Planning and Development Services Department due to lack of activity in the development and construction business. The county is attempting to find similar classification jobs for employees -- primarily inspectors -- before layoffs are completed by the end of March. In a related matter, Pima County is facing a $2.8 million deficit and is studying ways to cut back, including reducing workers' family health benefits and asking for volunteers to work 32-hour workweeks.

MISCELLANEOUS - - A petition has been filed with the National Labor Relations Board (NLRB) by nurses and other staff at **Scottsdale Memorial Hospital** to request a vote to determine if a union will represent them. The NLRB was expected to conduct a hearing in late January to determine if at least 30 percent of those eligible for union membership favored a union. The petition showed 750 employees would join a union represented by the Scottsdale Memorial Professional Association and the United Nurses Association of California.